

July 14, 2010

Suffolk man convicted of grand larceny and fraud charges for Ponzi scheme

A Mount Sinai man has been convicted of scheme to defraud and grand larceny charges following a bench trial in Suffolk County court.

Suffolk County District Attorney Thomas Spota said Steven Diaz, 44, ran a Ponzi scheme by successfully pitching new investors to back the operation of his Duraclean water and mold remediation franchise. Evidence and testimony at trial established investors money was spent by the defendant on his mortgage and landscaping expenses, a Ferrari and a Recreational Vehicle, vacations, limousine expenses, and tickets to sporting events and concerts.

“Mr. Diaz had everything that someone else’s money could buy – an expensive house, a pool, a luxury car, expensive trips – paid with money he received from neighbors and others who trusted him,” said DA Spota.

Judge Gary Weber in his decision said the charges were “proven far beyond a reasonable doubt” and scheduled sentencing for September 16. Diaz is free on \$50,000 cash bail.



Steven M. Diaz
DOB: 01-30-1964

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Defendants are entitled to a fair trial with the burden on the government to prove guilt beyond a reasonable doubt.